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APPLICATION NO.	FILING DATE	FIRST NAMED INVENTOR	ATTORNEY DOCKET NO.	CONFIRMATION NO.
10/050,157	01/18/2002	Sang Bum Kim	LT-0011	3882
34610 7590 02/26/2007 KED & ASSOCIATES, LLP 2325 DULLES CORNER BLVD. SUITE 1100 HERNDON, VA 20171			EXAMINER NELSON, FREDA ANN	
			ART UNIT	PAPER NUMBER
			3628	

SHORTENED STATUTORY PERIOD OF RESPONSE	MAIL DATE	DELIVERY MODE
3 MONTHS	02/26/2007	PAPER

Please find below and/or attached an Office communication concerning this application or proceeding.

If NO period for reply is specified above, the maximum statutory period will apply and will expire 6 MONTHS from the mailing date of this communication.

Office Action Summary

Application No.

10/050,157

Applicant(s)

KIM ET AL.

Examiner

Freda A. Nelson

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-- The MAILING DATE of this communication appears on the cover sheet with the correspondence address --

Period for Reply

A SHORTENED STATUTORY PERIOD FOR REPLY IS SET TO EXPIRE 3 MONTH(S) OR THIRTY (30) DAYS, WHICHEVER IS LONGER, FROM THE MAILING DATE OF THIS COMMUNICATION.

- Extensions of time may be available under the provisions of 37 CFR 1.136(a). In no event, however, may a reply be timely filed after SIX (6) MONTHS from the mailing date of this communication.
- If NO period for reply is specified above, the maximum statutory period will apply and will expire SIX (6) MONTHS from the mailing date of this communication.
- Failure to reply within the set or extended period for reply will, by statute, cause the application to become ABANDONED (35 U.S.C. § 133). Any reply received by the Office later than three months after the mailing date of this communication, even if timely filed, may reduce any earned patent term adjustment. See 37 CFR 1.704(b).

Status

- 1) ☒ Responsive to communication(s) filed on 13 December 2006.
- 2a) ☐ This action is **FINAL**. 2b) ☒ This action is non-final.
- 3) ☐ Since this application is in condition for allowance except for formal matters, prosecution as to the merits is closed in accordance with the practice under *Ex parte Quayle*, 1935 C.D. 11, 453 O.G. 213.

Disposition of Claims

- 4) ☒ Claim(s) _____ is/are pending in the application.
- 4a) Of the above claim(s) _____ is/are withdrawn from consideration.
- 5) ☒ Claim(s) 49-53 and 55-61 is/are allowed.
- 6) ☒ Claim(s) 1, 3-14, 19-27, 29, 31, and 47-48 is/are rejected.
- 7) ☐ Claim(s) _____ is/are objected to.
- 8) ☐ Claim(s) _____ are subject to restriction and/or election requirement.

Application Papers

- 9) ☐ The specification is objected to by the Examiner.
- 10) ☐ The drawing(s) filed on _____ is/are: a) ☐ accepted or b) ☐ objected to by the Examiner.
Applicant may not request that any objection to the drawing(s) be held in abeyance. See 37 CFR 1.85(a).
Replacement drawing sheet(s) including the correction is required if the drawing(s) is objected to. See 37 CFR 1.121(d).
- 11) ☐ The oath or declaration is objected to by the Examiner. Note the attached Office Action or form PTO-152.

Priority under 35 U.S.C. § 119

- 12) ☐ Acknowledgment is made of a claim for foreign priority under 35 U.S.C. § 119(a)-(d) or (f).
- a) ☐ All b) ☐ Some * c) ☐ None of:
- ☐ Certified copies of the priority documents have been received.
 - ☐ Certified copies of the priority documents have been received in Application No. _____.
 - ☐ Copies of the certified copies of the priority documents have been received in this National Stage application from the International Bureau (PCT Rule 17.2(a)).

* See the attached detailed Office action for a list of the certified copies not received.

Attachment(s)

- | | |
|--|--|
| 1) <input checked="" type="checkbox"/> Notice of References Cited (PTO-892) | 4) <input checked="" type="checkbox"/> Interview Summary (PTO-413) |
| 2) <input type="checkbox"/> Notice of Draftsperson's Patent Drawing Review (PTO-948) | Paper No(s)/Mail Date. <u>1/8/07</u> |
| 3) <input type="checkbox"/> Information Disclosure Statement(s) (PTO/SB/08) | 5) <input type="checkbox"/> Notice of Informal Patent Application |
| Paper No(s)/Mail Date _____ | 6) <input type="checkbox"/> Other: _____ |

DETAILED ACTION

The amendment received on December 13, 2006 is acknowledged and entered. Claims 1, 3, 19, 23, 47, 49, 53, and 55 have been amended. Claims 2, 15-18, 28, 30, 32-46 and 54 have been canceled. Claim 61 has been added. Claims 1, 3-14, 19-27, 29, 31, 47-53, and 55-61 are currently pending.

Continued Examination Under 37 CFR 1.114

A request for continued examination under 37 CFR 1.114, including the fee set forth in 37 CFR 1.17(e), was filed in this application after final rejection. Since this application is eligible for continued examination under 37 CFR 1.114, and the fee set forth in 37 CFR 1.17(e) has been timely paid, the finality of the previous Office action has been withdrawn pursuant to 37 CFR 1.114. Applicant's submission filed on February 12, 2007 has been entered.

Claim Rejections - 35 USC § 103

The following is a quotation of 35 U.S.C. 103(a) which forms the basis for all obviousness rejections set forth in this Office action:

(a) A patent may not be obtained though the invention is not identically disclosed or described as set forth in section 102 of this title, if the differences between the subject matter sought to be patented and the prior art are such that the subject matter as a whole would have been obvious at the time the invention was made to a person having ordinary skill in the art to which said subject matter pertains. Patentability shall not be negated by the manner in which the invention was made.

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1. Claims 1, 3-7, 10, 12-14, 21-25, 27, 29, and 31-32 are rejected under 35 U.S.C. 103(a) as being unpatentable over Kontogouris (US PG Pub. 2002/0082910) in view of Miyashita (US PG Pub. 2001/0014876), still in further view of Mai et al. (US PG Pub. 2002/00071313).

As per claims 1, 5, 13, and 23-24, Kontogouris discloses a method of conducting electronic commercial transactions through a communication network, comprising:

(a) providing access to a website displaying information representing a plurality of contents and an option to purchase each of said contents with or without a discount (paragraph [0054],[0056]);

(b) receiving a first signal selecting the displayed option to buy a first content with a discount from the website accessed through the communication network (paragraph [0054], [0056]);

(c) receiving a second signal selecting at least one second content having an effect of information conveyance, the second content including advertisement information displayed in response to the first signal (paragraphs [0025],[0051], [0064]); and

(e) reducing a price of first content from a first price to a second price based on the discount computed from selection of the second content (paragraph [0056]; FIG. 9).

Kontogouris does not expressly disclose (d) combining the first and second content to form a third content; and (f) providing the third content to a buyer in response to payment of the second price, said method further comprising withholding reducing

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the price until receiving confirmation that the user actually viewed the selected advertisement.

However, Miyashita discloses that the system is constructed with the assumption that a general consumer views and/or listens to an advertisement attached to desired music/video content when he/she views and/or listens to the music/video content, therefore, it is undesirable to allow separation of the advertising content from the music/video content or to allow the consumer to skip the advertisement during playback of the music/video content (paragraph [0071]); and the step of publishing the digital content on the communication network may comprise the steps of accepting through the communication network a request for sending the digital content, and sending the digital content to an information processing terminal issuing the request without charging. In this case, the provider of the digital content does not need to collect money from the general consumers since the provider has already received the content fee from the advertisement provider, therefore, the digital content with the advertisement attached thereto can be advantageously distributed free of charge (paragraph [0025]).

Mai et al. disclose a credit system that allows credit awards for actual purchase or deductions for purchase discount; and likewise, the credit system allows credit awards, deductions and transfers. For example, credits may be deducted for inaction; and another advantage of the present invention is that it provides a credit system that allows verification of user and content distributor fulfillment, through a transaction log, for advertisers and on-line distributors. The transaction log provides proof that a

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distribution partner presented advertisements and that users viewed the advertisements (paragraph [0008]).

Therefore, it would have been obvious to one of ordinary skill in the art at the time the invention was made to modify the invention of Kontogouris to include the feature of Miyashita and Mai et al. in order to provide a technique to prevent separation or skipping of the advertising content (Miyashita; paragraph [0071]).

As per claim 3, Kontogouris discloses the method of claim 1, wherein step (d) adds the second content to at least one of a front, middle, and rear of the first content (paragraph [0030]; FIG. 13).

As per claim 4, Kontogouris discloses the method of claim 3, wherein each second content is converted to the format of the first content, before the combination (paragraph [0064]).

As per claim 6, Kontogouris discloses the method of claim 5, wherein the price of the first price of the first content is reduced to the second price in proportion to the number of second contents combined to the first content based on the discount (FIG. 9)

As per claim 7, Kontogouris discloses the method of claim 1, wherein each second content includes a list of other contents to be sold or address information of other servers providing on-line sale services (paragraph [0029]).

As per claim 10, Kontogouris discloses the method of claim 1, wherein step (f) includes: transmitting the third content to the buyer on-line through the communications network (paragraphs [0052], [0054]; FIG. 4).

As for claims 12 and 23-24, Kontogouris discloses the method wherein the second content is inserted in a prescribed field, defined in the first content, without any data conversion (paragraphs [0025],[0051], [0064]) {conventional definition of "banner advertisement" refers to advertisements that appear as a box on a web page display screen, that may contain text, images, animation, sound, video, and/or other effects, and that includes hyperlinks to the advertiser's website. Kontogouris further discloses that those skilled in the art will appreciate that the term "banner advertisement" as used herein is not intended to be limited to advertisements that include hyperlinks to the advertiser's website, or to advertising on the Internet that may include a variety of interactive features, and that may appear in connection with any electronic medium or network, including wireless and digital television media or networks, that permits interactivity between the user's computing or communications device and remote service or content provider}.

As per claims 14 and 21-22, Kontogouris does not expressly disclose the method , wherein the first and second contents are combined such that a playback of the first content cannot be obtained without the playback of the second content.

However, Miyashita discloses that the system is constructed with the assumption that a general consumer views and/or listens to an advertisement attached to desired music/video content when he/she views and/or listens to the music/video content, therefore, it is undesirable to allow separation of the advertising content from the music/video content or to allow the consumer to skip the advertisement during playback of the music/video content (paragraph [0071]).

Therefore, it would have been obvious to one of ordinary skill in the art at the time the invention was made to modify the invention of Kontogouris to include the feature of Miyashita in order to provide a technique to prevent separation or skipping of the advertising content (Miyashita, paragraph [0071]).

As per claim 25, Kontogouris discloses the method of claim 1, wherein a subscription for accessing the website is priced independently from the price of the first content (paragraph [0017]) .

As per claim 27, Kontogouris discloses the method of claim 1, wherein subscription to the website is obtained by obtaining a username and password (paragraphs [0058]-[0059]) .

As per claim 29, Kontogouris discloses the method of claim 21, wherein subscription to the website is obtained by obtaining a username and password (paragraphs [0058]-[0059]) .

As per claim 31, Kontogouris discloses the method of claim 25, wherein subscription to the website is obtained by obtaining a username and password (paragraphs [0058]-[0059]).

As per claim 32, Kontogouris discloses the method of claim 25, wherein the subscription to the website does not require a fee (paragraph [0017]).

As per claim 47, Kontogouris discloses the method of claim 1, further comprising: displaying a separate price for each of the displayed plurality of contents represented on the website (FIG. 9).

As per claim 48, Kontogouris discloses the method of claim 1, wherein access to the website is provided before the second signal is received (paragraph [0059]).

2. Claims 8-9 and 11 are rejected under 35 U.S.C. 103(a) as being unpatentable over Kontogouris (US PG Pub. 2002/0082910) in view of Stern (US PG Pub. 2001/0052001).

As per claims 8-9, Kontogouris does not expressly disclose wherein step (f) includes: storing the third content in a recording medium to be delivered to the buyer. Kontogouris does not further disclose that the recording medium is one of a CD, a DVD, a FDD, a HDD, and a memory.

However, Stern discloses that that a new digital content distribution network is presented, providing commercial sales outlets of a commercial entity expanded bandwidth for delivery of video, audio, graphics, text, data, and other types of information streams within (and also, optionally, outside of) these commercial sales outlets (paragraph [0019]). Stern further discloses that content is preferably procured by the entity operating a network management center 110 (NMC 110) via traditional recorded media (tapes, CD's, videos, and the like) wherein content provided to NMC 110 is compiled into a form suitable for distribution to and display at the commercial sales outlets being supplied (paragraph [0027]).

Therefore, it would have been obvious to one of ordinary skill in the art at the time the invention was made to modify the invention of Kontogouris to include the feature of Stern in order to promote electronic distribution.

As per claim 11, Kontogouris does not expressly disclose that the third content is formatted as MPEG data.

However, Stern discloses that DDS 100 is a system employing a combination of software and hardware that provides cataloging, distribution, presentation, and usage tracking of music recordings, home video, product demonstrations, advertising content, and other such content, along with entertainment content, news, and similar consumer informational content in an in-store setting wherein this content includes content presented in MPEG1 and MPEG2 video and audio stream format, although the present system should not be limited to using only those formats (paragraph [0021]).

Therefore, it would have been obvious to one of ordinary skill in the art at the time the invention was made to modify the invention of Kontogouris to include the feature of Stern in order to provide a the user a variety of content to view.

3. Claims 19-20 and 26 are rejected under 35 U.S.C. 103(a) as being unpatentable over Kontogouris (US PG Pub. 2002/0082910) in view of Mai et al. (US PG Pub. 2002/00071313).

As per claims 19-20, Kontogouris discloses a method of conducting electronic commercial transactions through a communication network, comprising:

(a) providing access to a website displaying information representing a plurality of contents and an option to purchase each of said contents with or without a discount (paragraph [0054],[0056]);

(b) receiving a first signal selecting a first content having a first price to buy from a website accessed through the communication network (paragraph [0054]);

(c) selecting at least one second content (paragraph [0066]);

(d) presenting the selected second content to a user and asking a question about the presented second content (paragraph [0026]); and

(e) receiving a reply to the question from the user and determining whether the user has viewed the presented second content, based on the information contained in the received reply (Paragraph [0026]).

Kontogouris discloses (f) determining a second price of the first content based on the first price of the first content and the number of second contents selected (FIG. 9).

However, Kontogouris does not disclose wherein (f) includes withholding determining the second price until receiving confirmation that the user actually viewed the presented second content.

Mai et al. disclose a credit system that allows credit awards for actual purchase or deductions for purchase discount; and likewise, the credit system allows credit awards, deductions and transfers. For example, credits may be deducted for inaction; and another advantage of the present invention is that it provides a credit system that allows verification of user and content distributor fulfillment, through a transaction log, for advertisers and on-line distributors. The transaction log provides proof that a distribution partner presented advertisements and that users viewed the advertisements (paragraph [0008]).

Therefore, it would have been obvious to one of ordinary skill in the art at the time the invention was made to modify the invention of Kontogouris to include the feature of Mai et al. in order to provide a safety mechanism to provide proof that the advertisement has been viewed (Mai et al, paragraph [0012]).

As per claim 26, Kontogouris discloses the method of claim 19, wherein a subscription for accessing the website is priced independently from the price of the first content (paragraph [0017]) .

Allowable Subject Matter

4. Claims 49-53 and 55-61 are allowable.
5. The examiner has cited prior art of interest, for example:
 - 1) Abecassis (US PG Pub. 2001/0041053), which disclose a content-on demand advertisement system.
 - 2) Abecassis (US PG Pub. 2003/0206720), which disclose a video-on demand purchasing and escrowing system.
 - 3) Hey (US PG Pub. 2002/0046087), which disclose a method or drawing attention to advertisements.
 - 4) Noll et al. (US PG Pub. 2002/0054087), which disclose a channel dancer.
 - 5) Noll et al. (US PG Pub. 2005/0312295), which disclose a channel dancer.

Any inquiry concerning this communication or earlier communications from the examiner should be directed to Freda A. Nelson whose telephone number is (571) 272-7076. The examiner can normally be reached on Monday - Friday.

If attempts to reach the examiner by telephone are unsuccessful, the examiner's supervisor, John Hayes can be reached on 571-272-6708. The fax phone number for the organization where this application or proceeding is assigned is 571-273-8300.

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Information regarding the status of an application may be obtained from the Patent Application Information Retrieval (PAIR) system. Status information for published applications may be obtained from either Private PAIR or Public PAIR. Status information for unpublished applications is available through Private PAIR only. For more information about the PAIR system, see <http://pair-direct.uspto.gov>. Should you have questions on access to the Private PAIR system, contact the Electronic Business Center (EBC) at 866-217-9197 (toll-free). If you would like assistance from a USPTO Customer Service Representative or access to the automated information system, call 800-786-9199 (IN USA OR CANADA) or 571-272-1000.


JOHN W. HAYES
SUPERVISORY PATENT EXAMINER

FAN 02/19/2007

